

# Policy Title

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| <b>Policy Owner:</b>                                                               | Procurement             | <b>Strategic Partner Sponsor:</b>         | Commercial Director |
| <b>Exec Owner:</b>                                                                 | Chief Financial Officer |                                           |                     |
| <b>Approval Body:</b><br>Magenta Board,<br>Leadership Board (full Board or member) | Leadership Board Member | <b>Date Approved by Approval Body:</b>    | September 2025      |
| <b>Date endorsed by EIA Review Group:</b>                                          | N/A                     | <b>Date Endorsed by the Policy Forum:</b> | 14/10/2025          |
| <b>Review Frequency:</b>                                                           | 2 years                 | <b>Next Review Date:</b>                  | September 2028      |
| <b>Policy Version:</b>                                                             | 1.0                     | <b>Published (Intranet/Website):</b>      | Intranet            |

## 1.0 What is this policy for?

In common with other registered providers and the broader public sector, Magenta Living procurement policy and procedures are shaped and governed by a range of regulations, predominantly the Procurement Act 2023. Procurement-related activity must comply with applicable legislation, including UK law, legal precedents, and relevant industry regulations, codes of practice and Procurement Policy Notes issued by the Cabinet Office.

Magenta Living's Procurement Policy is in place to promote best practice procurement across all goods, services and works purchased by the business. Magenta Living strive to conduct all procurement to the highest standard in line with our core values, while abiding by The Procurement Act 2023. The majority of the money that Magenta Living spends is derived from public funds; therefore, we have a duty to ensure that best value is delivered at every possible opportunity.

All Magenta Living employees and Executive Board members involved in supply chain management or conducting any form of procurement activities must comply with the requirements of this policy at all times.

This policy provides a framework for all members to staff to work to, no matter which part of the business they operate in. The primary focus of the policy is to ensure that

all goods, services and works procured are fit for purpose, of optimum quality, competitively priced and in line with Magenta's goal of achieving best value for money.

Separate Standard Operating Procedures provide detailed guidance on all procurement activities carried out by Magenta Living; these procedures are in line with the appropriate Public Procurement Regulations which every employee must work to, ensuring all procurement activities are compliant.

Magenta Living is committed to ensuring that all procurement activities and management of our supply chain delivers:

- Our corporate objectives, including Values and Behaviours
- Quality and Value for Money (VFM)
- Legal and regulatory compliance
- Innovation and strategic sourcing
- Transparency, proportionality, equal treatment, non-discrimination and mutual recognition

## **2.0 Details of the policy**

This policy covers Magenta Living's role as a body governed by public law and procurer of a wide range of Goods, Services and Works.

As a Registered Provider (RP) of Social Housing, Magenta Living is regulated by the Regulator of Social Housing (RSH). The RSH economic objectives are directed towards responsible use of public funds in both procurement and other activities.

Registered providers must demonstrate, a robust approach to achieving value for money, backed by sound decision making and a rigorous appraisal of potential options for improving performance and ensuring value for money.

## **Principles**

| <b>Principle</b>       | <b>How we ensure this</b>                                                                                              |
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| Obtain value for money | Our 'route to market' ensures that competition is introduced by default and that offers are evaluated to determine the |

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|                                                                                                                                                                                                                                                        | <p>most economically advantageous offer. This promotes economy, efficiency and effectiveness in our expenditure.</p> <p>We will balance cost and quality and in line with the Procurement Act 2023 “avoid the race to the bottom” which encourages RP’s to consider quality as equal or greater importance to cost/price.</p> <p>We are committed to embedding social value and sustainability into procurement. This includes:</p> <ul style="list-style-type: none"> <li>• Incorporating social value criteria in all procurements</li> <li>• Prioritising suppliers that contribute to employment, training, and wellbeing in local communities.</li> <li>• Reducing carbon emissions and supporting net zero goals.</li> <li>• Favouring ethical and transparent supply chains.</li> <li>• We will consider whole life costing when reviewing the goods and services we are procuring</li> </ul> |
| Demonstrate propriety and good practice                                                                                                                                                                                                                | <p>Magenta Living’s procurement processes are aligned to Public Procurement law and Government procurement policy to ensure that we meet government expectations in the planning, management and execution of procurement activities.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p>Comply with public sector procurement legal requirements:</p> <ul style="list-style-type: none"> <li>• UK procurement and remedies rules</li> <li>• international obligations, notably World Trade Organisation agreements including the</li> </ul> | <p>Our procurement policy and processes comply with legal requirements.</p> <p>Specifically, this policy ensures:</p> <ul style="list-style-type: none"> <li>• Procurement activity is fair, open, and transparent</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

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| <p>Government Procurement Agreement (GPA); and</p> <ul style="list-style-type: none"> <li>• commercial law in general</li> <li>• relevant case law</li> </ul> | <ul style="list-style-type: none"> <li>• The form of competition chosen is appropriate to value and complexity of the procurement</li> <li>• Data protection specialists are involved in reviewing all procurements involving the processing of personal identifiable data</li> <li>• Legal advisors are involved, where required, including in advising on and interpreting the regulations and drafting and amending 'bespoke' contracts as may be required</li> <li>• Equality duties and environmental sustainability are considered; and</li> <li>• Barriers to small and medium-sized enterprises (SME's) are removed by making our requirements clear, avoiding overly complex processes, minimising supplier procurement effort and cost, and ensuring prompt payment.</li> </ul> |
| <p>Category Management Methodologies</p>                                                                                                                      | <p>Procurement will be grouped into logical categories to improve efficiency, reduce duplication, and achieve better outcomes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p>Use of Frameworks and DPS</p>                                                                                                                              | <p>We will use recognised frameworks (e.g., Procure Plus, Fusion21, CHIC) and Dynamic Purchasing Systems to access pre-approved suppliers where appropriate.</p> <p>Decisions to use frameworks will made by the procurement team based on the needs of each individual procurement strategy. Magenta colleagues who sit outside of the procurement team do not have the authority to make a decision to use a framework or DPS solution.</p>                                                                                                                                                                                                                                                                                                                                             |
| <p>Collaborative Procurement</p>                                                                                                                              | <p>We will explore joint procurement with neighbouring housing associations or councils to achieve economies of scale,</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

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|  | where there is benefit to do so. i.e. Liverpool City Region |
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## Procurement Thresholds

The following thresholds will determine the appropriate route to market: Procurements must not be designed or run with the intention of excluding our obligations under the procurement act 2023 or purposely subdividing any requirements with the intention of avoiding procedures, internal financial approval or the regulations set out by the Procurement Act 2023.

| Thresholds                                                                           | Route to market                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
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| Less than or equal to £30K                                                           | Seek at least one written or verbal quote from a supplier that is approved as a supplier and on the Magenta Finance System. Please review the procurement insite page for templates and sourcing kits and instructions.                                                                                                                                                                                                                                                                                                         |
| £30,001- £100,000 (Goods/Services) (inc VAT)<br>£30,001-£1,000,000 (Works) (inc VAT) | The Procurement team should be consulted before any decision is made regarding route to market. Procurement will advise and recommend the most suitable route to market based upon the specific requirements of your purchase. The recommendation will be one of the following <ul style="list-style-type: none"> <li>• RFQ</li> <li>• RFP</li> <li>• Advertised Regulated below-threshold procurement exercise</li> <li>• Non-advertised below-threshold procurement exercise</li> <li>• Call off under a Framework</li> </ul> |
| £100,001 / £1,000,001 – Procurement threshold                                        | Where the total value of a purchase is from £100k for goods and services and £1million for Works up to Threshold inclusive of VAT, unless in exceptional circumstance, a regulated below threshold process must be followed which will be advertised , non-advertised or called off under a Framework.                                                                                                                                                                                                                          |
| Above Procurement Threshold                                                          | Formal competitive tender in line with the procedures set out in Procurement Act 2023. This will be led by procurement in                                                                                                                                                                                                                                                                                                                                                                                                       |

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|  | conjunction with the technical lead. Free and unrestricted access to the procurement documents is given to any potential supplier. |
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### **3.0 Who was consulted and how was it done?**

The Procurement Policy Document has been widely consulted on internally primarily with the Strategic Partners and the CFO Paul McGrady. Their views have been fully considered and incorporated where applicable/appropriate within the body of the policy. As it is an internal policy it was considered unnecessary to consult externally to the organisation, other than to reference the regulations we are bound by.

- 3.1 The proposed policy was discussed within the policy forum. Their views have been fully considered and incorporated where applicable / appropriate within the body of the policy.

### **4.0 Equality Impact Assessment (EIA)**

We believe all people should be treated with dignity and respect regardless of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including, nationality, ethnic or national origins), religion, belief or non-belief, sex, or sexuality or by association with someone with any of these characteristics or perception of having any of these characteristics.

It was felt that this policy did not require an Equality Analysis. Each goods/services/works contract or agreement needs to be considered for equality duties but not this overarching policy.

- 4.1 We believe all people should be treated with dignity and respect regardless of their age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including nationality, ethnic or national origins), religion, belief or non-belief, sex or sexuality, or by association with someone with any of these characteristics or perception of having any of these characteristics.

### **5.0 How we make sure this policy is effective**

- 5.1 This policy's effectiveness will be measured using the following performance indicators benchmarking of costs, demonstrating VFM by evidence of cashable savings. Results presented to Leadership Board via CFO report.

5.2 Non-compliance with this policy could lead to - disciplinary action, including dismissal where appropriate and referral to cabinet office for breaches of procurement regulations.

## 6.0 Colleague Training

6.1 For this policy

- Mandatory training is required for everyone

6.2 It will be completed every 2 years via Skillgate

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6.3 Completion will be monitored by HR with a monthly report sent to people managers showing who has completed the training and who is outstanding.

6.4 CIPS training / qualification is required for colleagues who perform of senior procurement manager and above

## 7.0 Documents related to the policy

7.1 Please also see the following documents: Value for Money Strategy

## 8.0 Version control / Amendment log

| Date of change: | Revised Version Number: | Change made:                                                                                                                                                                                           | Reason for change:                                                                                                                                                                                  |
|-----------------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sept 2025       | 1.0                     | <i>Removal of the STA process and also the introduction of new thresholds for when to engage with procurement.</i><br><br><i>Removal of all details of individual procurement procedures which are</i> | <i>Major revision of the policy including the changes from PCR 2015 to the Procurement Act 2023.</i><br><br><i>Alignment of procurement policy to wider VFM policy and strategic goals to 2030.</i> |

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|  |  | <i>not relevant to the business.</i> |  |
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